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## FISCAL IMPACT REPORT

SPONSOR: Gonzales DATE TYPED: 02/19/03 HB 520

SHORT TITLE: Special Plates for National Guard Members SB \_\_\_\_\_

ANALYST: Hayes

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04			
	\$0.1	\$0.1	Recurring	Motor Vehicle Division, GF: \$10 per plate
	\$0.1	\$0.1	Recurring	State Road Fund: \$9.98 per plate
	\$0.1	\$0.1	Recurring	*Local Govts: \$5.02 per plate

(Parenthesis ( ) Indicate Revenue Decreases)

\*Local Government funds include distributions to various county general funds and roads funds, municipal road uses, and county and municipal general funds.

Relates to various House and Senate bills requesting special license plates.

### SOURCES OF INFORMATION

#### Responses Received From

Department of Military Affairs

Taxation and Revenue Department (TRD)

State Highway and Transportation Department (SHTD)

### SUMMARY

#### Synopsis of Bill

House Bill 520 adds a new section to the Motor Vehicle Code to direct the Taxation and Revenue Department to issue a special license to people who are active members of the New Mexico National Guard upon the submission of proof satisfactory to TRD that they are currently active members.

Sub-section E of the NEW MATERIAL allows TRD to issue National Guard license plates to individuals who are retired members of the NM National Guard in two circumstances. First, a retired National Guard may retain a NM National Guard license plate if he/she already has one. The individual must provide satisfactory proof of eligibility as a retired New Mexico National Guard member to TRD. The yearly motor vehicle registration fee (“annual administrative fee”) is \$15.

The second circumstance allows retired members of the National Guard to obtain/purchase a NM National Guard license plate if desired by providing satisfactory proof of eligibility as a retired NM National Guard member to TRD and by paying a nonrefundable applicable fee of \$10 in addition to the yearly motor vehicle registration fee of \$15.

### Significant Issues

1. The NM National Guard already has a special design license plate. Section 66-3-413 of the Motor Vehicle Code authorizes the issuance of special registration plates for active National Guard members. Therefore, the language in the bill regarding active NM National Guard members is a duplication of current statutes.
2. The new material outlined in Sub-section E allows retired NM National Guard members to obtain a NM National Guard license. (Note: This is not a separately designed license plate for retirees.)
3. The TRD secretary shall determine what constitutes satisfactory proof of membership in the NM National Guard. A person who misrepresents himself as a National Guard member will be guilty of a petty misdemeanor and shall be sentenced pursuant to Section 31-19-1 NMSA 1978.
4. Active National Guard members will not be charged for a National Guard license plate (in current law and in proposed legislation). Retiring members may either retain their current National Guard plates at no charge or else purchase a National Guard license plate (if they don't own one already) for \$10.
5. The \$10 nonrefundable application fee will be used by TRD/MVD to defray the cost of producing and issuing the license plate. The remainder, \$15, will be deposited in the motor vehicle suspense fund for distribution according to the standard formula set forth in Section 66-6-23 NMSA 1978 (see Revenue table on page 1).

### **FISCAL IMPLICATIONS**

The portion of the fee that MVD receives (\$10) may cover the cost of the license plate in the out years, but the initial costs for production would need to be absorbed by the division.

In its analysis, the Department of Military Affairs did not provide any statistics regarding the number of National Guard members there are in New Mexico nor the number of retired guardsmen. Therefore, a realistic revenue estimate could not be done. TRD believes that the revenue associated with the sale of this existing license plate to retired National Guard members in FY04 and subsequent years would most likely be insignificant (100 plates = \$2,500).

**RELATIONSHIP**

This bill duplicates Section 66-3-413 for active National Guard members, conflicts with Section 66-3-419 for retired National Guard members and is similar to HB 602 and SB 622 that are amending Section 66-3-413 to include retired National Guard members.

Other specialty license plates proposed:

- HB 75, Armed Forces Retirees Special License
- HB 201, Special Plates for Retired Firefighters (duplicate of SB 496)
- HB 378, Special Plates for Retired NM Letter Carriers
- HB 379, Special Plates for Letter Carriers
- HB 464, Special Plates for Retired State Police (duplicate of SB 210)
- HB 566, Special Plates for Supporting Spayed Pets
- HB 602, Special Plates for Retired NM National Guard (duplicate of SB 622)
- HB 635, Special Plates for NM Fraternal Order of Police
- HB 656, Special Plates for Wildlife Artwork
- HB 704, Special Plates for Civil Air Patrol, New Mexico Wing
- SB 197, License Plate for Active Duty Servicemen
- SB 210, License Plates for Retired State Police (duplicate of HB 464)
- SB 211, License Plates for NM Mail Carriers
- SB 493, Special Plates for NM HS Rodeo Association
- SB 496, Special Plates for Retired Firefighters (duplicate of HB 201)
- SB 549, License Plates for Search and Rescue Members
- SB 622, Special Plates for Retired NM National Guard (duplicate of HB 602)

**TECHNICAL ISSUES**

Page 1, lines 20-25 and Page 2, lines 1-10 duplicate current law and, therefore, should be deleted.

Page 3, Line 3, change ~~administrative~~ fee to “registration” fee.

See SB 622 or HB 602 for similar legislation regarding National Guard retirees license plates and how the language is incorporated into current Motor Vehicle statutes.

**CMH/njw**